

Message Text

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50/53

ACTION ARA-20

INFO OCT-01 ISO-00 AGR-20 CIAE-00 DODE-00 PM-07 H-03

INR-11 L-03 NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03

SS-20 USIA-15 EB-11 COME-00 TRSE-00 DRC-01 /128 W

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R 122133Z AUG 74

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC 7794

INFO AMEMBASSY BOGOTA

AMEMBASSY BRASILIA

AMEMBASSY GUATEMALA

AMCONSUL GUAYAQUIL

AMEMBASSY MANAGUA

AMEMBASSY PANAMA

AMEMBASSY QUITO

AMEMBASSY SAN JOSE

AMEMBASSY SAN SALVADOR

C O N F I D E N T I A L TEGUCIGALPA 3393

C O R R E C T E D C O P Y TO INCLUDE E.O. 11652, TAGS, AND
SUBJECT LINES

E.O. 11652: GDS

TAGS: ETRD, HO

SUBJECT: FINANCE MINISTER ACOSTA COMMENTS ON BANANA PROBLEM

REF: EMBTEL 3287

1. FINANCE MINISTER ACOSTA INFORMED DCM ON AUGUST 9 THAT AN
EFFORT WAS NOW UNDERWAY TO CRANK DOWN PANAMANIAN LEVEL OF BANANA
TAX TO MATCH THAT OF COSTA RICA. HE SAID COSTA RICANS AND
"PANAMANIAN" WERE INVOLVED, BUT THAT TORRIJOS WOULD BE STUMBLING
BLOCK AS HIS STYLE OF DECISION MAKING MAY HAVE PAINTED HIM
INTO CORNER. ACOSTA NOTED THAT GOH WAS NOT COMPLETELY SATISFIED
WITH COSTA RICAN FORMULA, AND HE HOPED THAT THINGS WOULD NOT
BE FROZEN ON THAT BASIS. HE SAID THAT THE SITUATION CONTINUED
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TO REQUIRE FLEXIBILITY AND FURTHER TALKS WITH THE COMPANIES.

2. ACOSTA REFERRED TO THE TALK OF AUGUST 1 BETWEEN HIM AND MINECON BENNATON AND UNITED VP HARVEY JOHNSON AND LOCAL MANAGER HOUSTON LACOMBE, WHICH GENERAL LZXEZ ASKED TO BE DESCRIBED TO AMBASSADOR SANCHEZ (REFTEL). HE REGRETTED JOHNSON'S REMARKS, WHICH HE VAGUELY DESCRIBED AS INCLUDING "REFERENCES TO CUBA."

3. IN REPLY TO QUESTION, HE ASSERTED THAT JOHNSON AND LACOMBE HAD NOT REPEAT NOT TALKED TO GENERAL LOPEZ DURING VISIT OF AUGUST 1.

4. DCM PRAISED CONCEPT OF FLEXIBILITY AND FURTHER TALKS TO COMPANIES. HE SAID THAT USG AT THIS STAGE WAS TRYING TO PROMOTE JUST THIS, WITHOUT INTERJECTING OURSELVES INTO SUBSTANCE.

5. COMMENT: OUR REFTEL IMPLIED THAT JOHNSON AND LSCOMBE MET GENERAL LOPEZ ON AUGUST 1. IT NOW APPEARS THAT THEY PROBABLY DID NOT SEE HIM ON THAT OCCASION. THEY HAVE OF COURSE HAD SEVERAL MEETINGS WITH HIM DURING PAST 4 MONTHS, AND JULY 8 TALK MENTIONED IN DEPTTEL 174668 MAY HAVE BEEN THE LAST SUCH CONTACT.
SANCHEZ

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NNN

Message Attributes

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30 JUN 2005

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